details of posts abolished based on the recommendations of the Expenditure Reforms Commission would be known only thereafter. The savings likely to be made on account of rightsizing of the Government machinery would help generate funds for productive expenditure, leading to creation of employment avenues elsewhere.

Downsizing of Government as per recommendation of ERC

219. DR. ALLADI P. RAJKUMAR: Will the Minister of FINANCE be pleased to State the progress made so far in cutting 5 lakh Government jobs as recommended by the Expenditure Reforms Commission?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): The staff strength of the 36 Ministries/ Departments specifically studied by the Expenditure Reforms Commission is about 8 lakhs and once their recommendation is fully implemented, it could lead to a reduction by 1.2 lakhs in these Ministries.

Appropriate decisions on the recommendations of the Expenditure Reforms Commission, in so far as these relate to rightsizing of the Government machinery, would be taken by the respective Ministries having regard to all relevant factors. The exact details of posts likely to be abolished would be known only thereafter.

Reduction of customs duty on aluminium products

220. DR. ALLADI P. RAJKUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether manufacturers of aluminium products are in serious crisis in view of high price of aluminium;

(b) whether Government would recommend the need for reduction/ abolition in customs duty to help the manufcturers and ailing units; and

(c) if so, the action taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) It is not correct to say that manufacturers of aluminium products are in serious crisis in view of high price of aluminium.

(b) and (c) The import duty rate are determined keeping in view several

factors like the international prices, the status of domestic producer and user industry, the level of protection etc.

Depression in economy

221. SHRI R.P. GOENKA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have made an indepth-study and analysis of the report of the group of consultants from international consultancy firm Mckinsey & Company suggesting higher productivity route to achieve 10 per cent per annum economic growth rate by the year 2005; and

(b) if so, the results of the studies and modifications, if any, proposed to be made in the growth model worked out to take the sluggish economy out of its present depression?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The Mckinsey Global Institute, in collaboration with Mckinsey's India Office have conducted a study on the Indian economy entitled India: The Growth Imperative Understanding the barriers to Rapid Growth and Employment Creation. Its major findings is that India can achieve a growth rate of 10 per cent per annum. Besides, the study has identified 3 main categories of barriers, *viz.*, product market barriers, land market barriers and Government ownership that constrain India's GDP growth. With a view to dismantle the three main barriers the study has suggested 13 point reform programme. The suggestions made by various organisations/ institutions and othes are considered keeping in view the trends in the economy and Government's broad policy objectives. With a view to acheive higher growth the braod strategy outlines in the Budget for 2001-2002 has emphasised speeding up of agricultural sector reforms and better management of the food economy; intensification of infrastructure investment, continued reform in the financial sector and capital markets, and deepening of structural reforms through removal of remaining controls constraining economy activity; human development through better educational opportunities and programmes of social security; stringent expenditure control of non productive expenditure, acceleration of the privatisation process and restructuring of public enterprises and; revenue enhancement through widening of the tax base and administration of a fair and equitable tax regime. The strategy is expected to have a favourable impact on overall growth.